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SITUATION

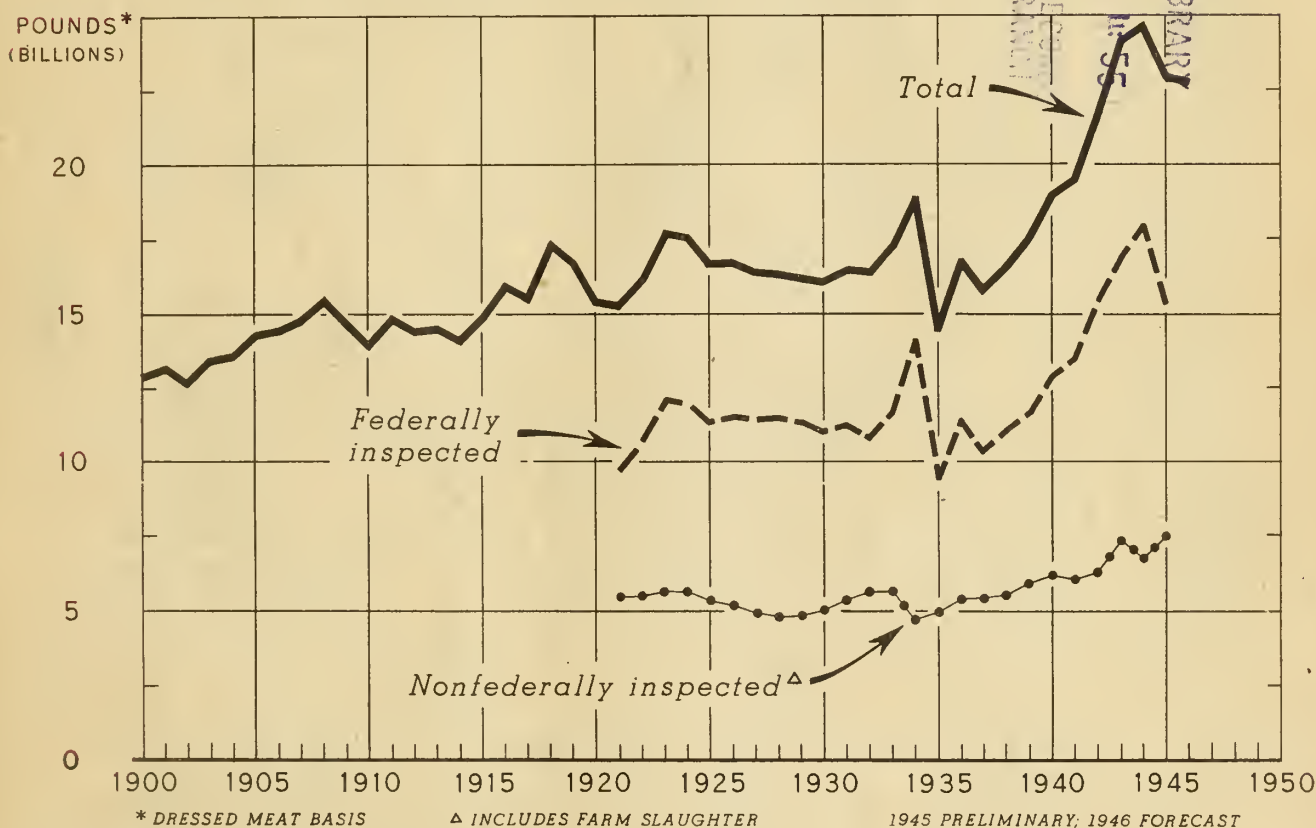
BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

LWS-46

BAE

MAY - JUNE 1946

TOTAL MEAT PRODUCTION, PRODUCTION UNDER FEDERAL
INSPECTION, AND NONINSPECTED PRODUCTION,
UNITED STATES, 1900-1946



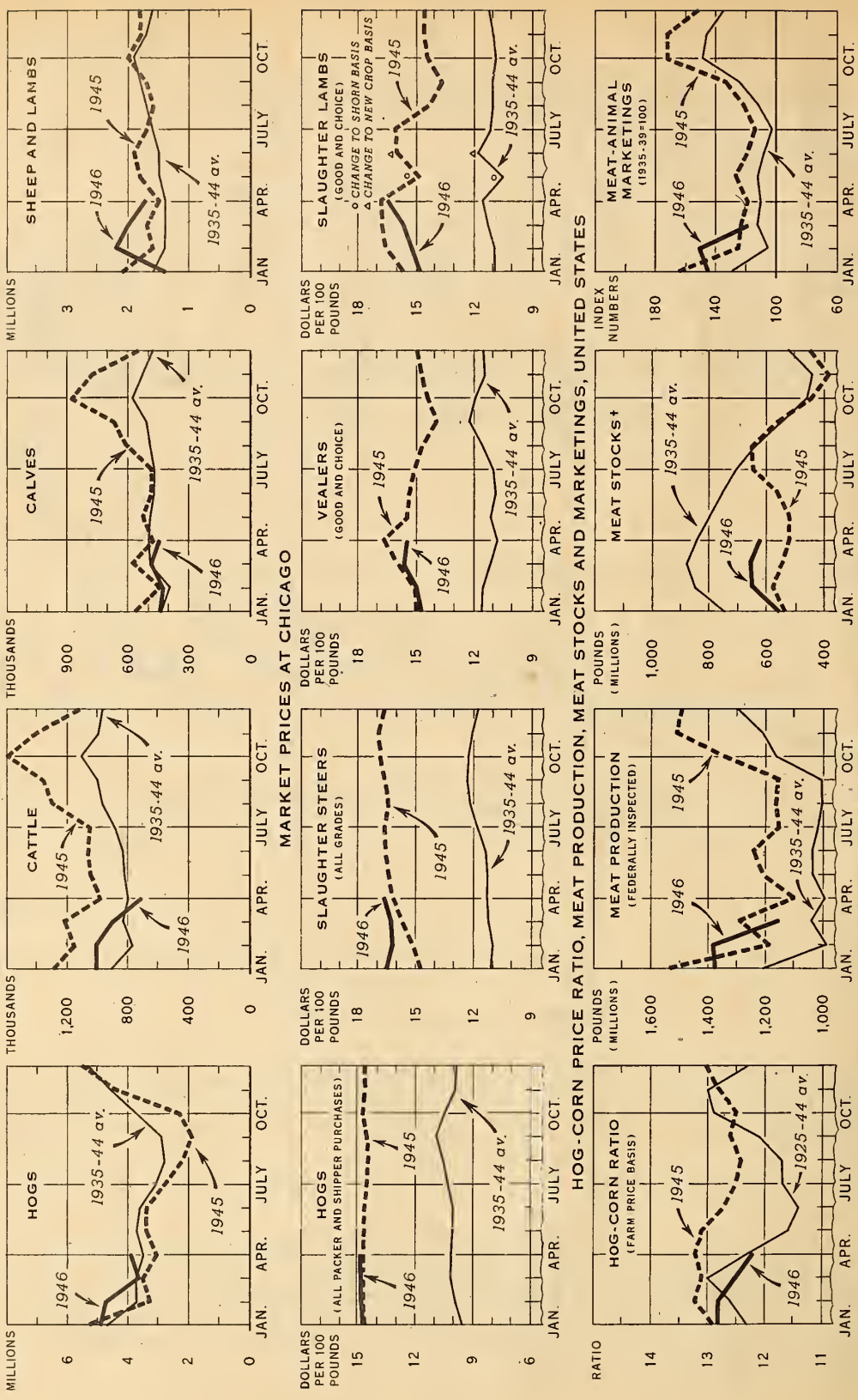
U. S. DEPARTMENT OF AGRICULTURE

NEG. 45943 BUREAU OF AGRICULTURAL ECONOMICS

Meat production, after reaching a peak of over 24 billion pounds in 1943 and 1944, is now trending downward. Output in 1945 was estimated to be 22.9 billion pounds, dressed meat basis. Meat production in 1946 probably will be moderately less than in 1945, with decreases occurring in beef and veal and lamb and mutton. Pork production is likely to be moderately greater than in 1945, partly as a result of a 12-percent increase in the fall pig crop last year.

LIVESTOCK SLAUGHTER, PRICES AND MARKETINGS, MEAT PRODUCTION AND STOCKS, AND HOG-CORN PRICE RATIO

FEDERALLY INSPECTED SLAUGHTER, UNITED STATES *



* INCLUDES SLAUGHTER IN "FULMER" PLANTS SINCE 1941, NOT PREVIOUSLY UNDER FEDERAL INSPECTION
† BEEF, LAMB, MUTTON, PORK, AND MISCELLANEOUS MEATS IN MEAT PACKING PLANTS AND COMMERCIAL COLD STORAGE HOUSES, BEGINNING OF MONTH

FIGURE 1

 T H E L I V E S T O C K A N D W O O L S I T U A T I O N

Approved by the Outlook and Situation Board May 24, 1946

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SUMMARY

A production of meat nearly as large as the 22.9 billion pounds produced in 1945 (wholesale weight) is now forecast for 1946. This would be about two billion pounds less than the record output of 24.7 billion achieved in 1944. Pork production is likely to be larger this year than last; while output of beef, veal, and lamb probably will be less.

Smaller pork production in 1947 and a downward trend in beef and lamb production may result in a total output of meat in 1947 at least a billion pounds less than in 1946.

Higher prices and smaller supplies of feed grains and other concentrates compared with a year earlier are likely to result in relatively large marketings late this year of 1946 spring pigs, and also in a much smaller pig crop in the fall of 1946 than in the fall of 1945. Through December, hog slaughter will continue large compared with last year. However, beginning early in 1947, hog slaughter will be less than that of corresponding months of 1946 because of the anticipated small proportion of the spring pig crop remaining for market after December. The reduction in hog slaughter probably will become most pronounced in the spring and summer next year, when 1946 fall pigs reach market weights.

The number of hogs slaughtered in 1946 probably will be around 10 percent greater than the 68.5 million slaughtered in 1945, the result of delayed marketings of 1945 spring pigs, a 12 percent increase in the 1945 fall pig crop, now being marketed, and early marketings of 1946 spring pigs. Weights of hogs slaughtered this year, however, will average less than the record weights in 1945.

Total cattle and calf slaughter in 1946 probably will be 5 to 7 percent under the record slaughter of 34.9 million head in 1945. With total cattle numbers only slightly below a year earlier, marketings of grass-cattle may be nearly as large as 1945. But marketings of grain-fed cattle which normally account for about a third of the beef supply (excluding veal) will be materially less than the large marketings of 1945. The number of cattle on feed in the Corn Belt April 1 was 17 percent below a year earlier. Feeding operations will be curtailed more than usual this summer and next fall as a result of the withdrawal of the 50-cent producer's subsidy June 30, the recently increased prices of feed concentrates, and current high prices for feeder stock.

Production of lamb and mutton will fall below 1945 levels during the second half-year, reflecting the 10 percent reduction in the number of breeding ewes on farms and ranches January 1, and the substantial drop in this year's lamb crop.

Civilian consumption of meat from October through March was 85 pounds per person compared with 83 pounds in the same period of 1943-44 and was the largest for the six-month period in over 35 years. The rate of consumption has declined moderately since winter. At current meat prices, supplies will continue less than demand at least through the first half of 1947.

United States exports of meat this year will exceed the 1.2 billion pounds (dressed meat basis) exported in 1945, but will be considerably below the 2.5 billion pounds exported in 1943 and the 1.9 billion pounds exported

in 1944. After European feed supplies are restored to a more nearly normal level, the United Kingdom will be the principal export outlet. At present continental Europe is importing substantial quantities of meat from the United States; although that area was a net exporter of meat in prewar years.

Commodity Credit Corporation will continue to purchase wool from domestic growers until November 1 under the current purchase program. Resales to mills are being made at prices generally competitive to those for imported wools. Prices of foreign wool are determined largely by the British program for selling Australian, New Zealand, and South African wools. In the new season which begins in July, the British Joint Organization will regulate offerings when auctions are resumed. It will also be prepared to buy British Dominion wool at a "stabilization price", if the wool is not sold to commercial interests at this price or higher. Such action will tend to support prices in foreign markets.

United States mill consumption of apparel wool in 1946 now seems likely to be close to the wartime annual average of a billion pounds, grease basis, and will be much larger than in any previous peacetime year. Weekly average consumption in March of about 21 million pounds, grease basis, was equivalent to an annual rate of about 1,100 million pounds. Present demand for wool clothing and demand for fabrics and clothing for commercial inventory replenishment undoubtedly would support a current rate of mill consumption even higher than at present.

United States stocks of apparel wool have increased considerably during the past year. Stocks reported by mills and dealers and stocks held by the United States Government totaled about 835 million pounds, grease basis, on April 1 compared with 679 million pounds a year earlier. Government stocks of domestic wool on April 1, totaling approximately 460 million pounds, grease basis, were 168 million pounds larger than a year earlier. The 1946 clip is now arriving in volume for appraisal and purchase, and CCC stocks will increase rapidly unless sales to mills are greatly increased. March sales at an annual rate were equivalent to little more than half of expected 1946 domestic production.

OUTLOOK

1946 Meat Output Close to 1945;Production to Decline in 1947

On the basis of slaughter in the first 5 months of 1946 and current prospects for the balance of the year, meat production in 1946 is likely to be nearly equal to the 1945 total, estimated at 22.9 billion pounds, dressed meat basis. Pork production probably will be moderately greater than a year earlier, when output was slightly over 10 billion pounds. The number of hogs slaughtered in 1946 may be as much as 10 percent greater than in 1945, but yields of pork per hog will be down from last year because of lighter weights resulting from higher feed-grain prices and scarcer supplies of corn. Beef and veal production in 1946 is likely to be within 5 to 7 percent of the record output of 1945 when approximately 11.8 billion pounds were produced, almost 50 percent more than the average for 1935-39. Lamb and mutton production in 1946 will be somewhat less than the 1,053 million pounds produced in 1945.

Total meat production in the first 5 months of 1946 apparently was about the same as a year earlier, with increased output of pork largely off-setting reduced beef and veal production. Meat production in nonfederally inspected plants assumed record proportions in early 1946.

The tight feed-concentrate supply and increases in ceiling prices of feed grains have sharply changed the livestock picture from what seemed probable a few months ago. The hog-corn price ratio declined sharply in May. This came at a time when hog breeding for fall farrowing was in full-swing. As a result, the number of fall pigs saved this year will be materially less than the 35 million pigs saved in the fall of 1945. If hog and corn prices continue at present ceilings during the summer and early fall, the hog-corn price ratio will be about 20 percent below the 1925-44 average for that period. Such an unfavorable ratio would cause a sharp reduction in hog output, especially if returns to dairy producers are increased during the second half of 1946, as now seems likely. Because of the relatively high corn prices, the proportion of the 1946 spring pig crop marketed in October-December this year, is likely to be larger than usual, and considerably larger than last year. Thus even if the spring pig crop of 1946 is as large as that of 1945, the number of hogs marketed in January-March 1947 will be less than in the first quarter of 1946. The reduced pig crop this fall will be reflected primarily in smaller marketings of hogs in the spring and summer of 1947 than in the spring and summer this year.

Relatively few cattle are put on grain feed during the spring and summer and very little grain is used for feeding lambs during those seasons.

Cattle and calf slaughter will total somewhat less in 1946 than in 1945, and a further moderate reduction is probable in 1947. Sheep and lamb slaughter has continued large during the past four years and numbers of sheep on farms have dropped sharply. A halt in the downswing in sheep numbers would necessitate a sharp reduction in slaughter. Such a reduction may occur in 1947 if the farm labor supply increases sufficiently and if sheep and lamb prices rise.

57-41 Table 1.- Estimated livestock slaughter and meat and lard production, average 1935-39, annual 1940-45 and indicated 1946

	Average 1935-39			1940			1941			1942			1943			1944			1945			Indicated 1946		
	Total	live	weight	Total	live	weight	Total	live	weight	Total	live	weight	Total	live	weight	Total	live	weight	Total	live	weight	Total	live	weight
	Head	pro-	dution	Head	pro-	dution	Head	pro-	dution	Head	pro-	dution	Head	pro-	dution	Head	pro-	dution	Head	pro-	dution	Head	pro-	dution
	Thous.	Mill. lb.	Mill. lb.	Thous.	Mill. lb.	Mill. lb.	Thous.	Mill. lb.	Mill. lb.	Thous.	Mill. lb.	Mill. lb.	Thous.	Mill. lb.	Mill. lb.	Thous.	Mill. lb.	Mill. lb.	Thous.	Mill. lb.	Mill. lb.	Thous.	Mill. lb.	Mill. lb.
Livestock slaughter and meat production																								
Cattle:																								
Federally inspected	2/10,024	3/9,195	4/4,847	9,756	4,971	10,946	10,517	5,739	12,347	11,773	6,347	11,727	11,197	5,970	13,960	12,905	6,695	14,538	13,775	7,240	14,538	13,775	7,240	
Other wholesale and retail:	4,455	3,620	1,858	4,604	3,842	1,984	4,916	4,114	2,126	5,047	4,314	2,249	5,416	4,535	2,340	5,532	4,415	2,273	6,244	5,224	2,700	6,244	5,224	2,700
Farm	591	452	231	571	445	227	571	445	227	587	460	235	572	447	213	570	406	207	590	426	217	590	426	217
Total	15,070	13,267	6,936	14,971	13,462	7,182	16,433	15,076	8,092	17,981	16,547	8,631	17,715	16,149	8,523	20,062	17,726	9,135	21,372	19,425	10,157	20,000	18,400	9,600
Calves:																								
Federally inspected	2/5,765	3/1,098	4/615	5,359	1,024	568	5,461	1,070	599	5,760	1,197	667	5,209	1,082	597	7,770	1,693	926	7,020	1,501	823	7,020	1,501	823
Other wholesale and retail:	3,117	587	335	3,003	569	328	3,107	612	350	3,317	697	399	4,111	846	480	5,247	1,028	583	5,884	1,516	729	5,884	1,516	729
Farm	804	192	88	728	142	82	684	132	76	625	127	73	594	144	83	602	152	87	584	146	83	584	146	83
Total	9,686	1,837	1,036	9,090	1,735	978	9,252	1,814	1,029	9,702	2,021	1,139	9,914	2,070	1,160	13,619	2,873	1,596	13,488	2,963	1,635	13,000	2,700	1,500
Sheep and lambs:																								
Federally inspected	17,486	1,485	696	17,351	1,495	702	18,125	1,600	750	21,625	1,926	880	23,363	2,118	958	21,876	1,956	887	21,220	2,003	913	21,220	2,003	913
Other wholesale and retail:	3,699	312	148	3,651	315	150	3,605	316	150	3,383	299	140	3,134	267	122	2,918	248	114	2,850	257	117	2,850	257	117
Farm	624	56	27	581	52	25	582	53	25	578	52	25	573	51	24	550	49	22	572	50	23	572	50	23
Total	21,809	1,853	871	21,583	1,862	877	22,312	1,969	925	25,586	2,277	1,045	27,070	2,436	1,104	25,344	2,253	1,023	24,042	2,310	1,053	21,000	1,900	900
Hogs:																								
Federally inspected	34,262	7,874	4,584	50,398	11,716	6,614	46,520	11,214	6,405	53,897	13,229	7,562	61,431	16,141	9,308	69,017	16,859	9,446	40,960	10,837	6,387	40,960	10,837	6,387
Other wholesale and retail:	8,671	1,037	13,057	2,722	1,506	12,088	2,594	1,473	12,117	2,769	1,571	5,077	3,996	2,260	5,141	14,016	2,971	4,697	5,135	3,078	1,831	5,135	3,078	1,831
Farm	13,656	3,114	1,716	14,155	3,262	1,798	12,789	2,957	1,629	12,463	2,866	1,590	14,063	3,233	1,761	13,826	3,200	1,763	14,051	3,318	1,828	14,051	3,318	1,828
Total	56,789	12,815	7,337	77,610	17,700	9,958	71,397	16,765	9,447	78,477	18,884	10,723	95,273	23,370	13,349	96,859	23,030	12,916	68,511	17,233	10,046	18,500	10,600	
All meat animals:																								
Federally inspected	19,652	10,742	6,346	3,378	23,410	12,855	24,401	13,433	28,125	15,456	30,536	16,833	33,413	17,924	33,413	17,924	33,413	17,924	28,116	15,363	28,116	15,363	28,116	15,363
Other wholesale and retail:	6,346	3,378	1,488	4,008	7,448	4,008	7,616	4,103	8,079	4,359	9,644	5,202	9,644	5,202	9,644	5,202	9,644	5,202	8,662	4,667	8,662	4,667	8,662	4,667
Farm	3,774	2,062	1,032	2,132	3,901	2,132	3,587	1,957	3,525	1,923	3,525	1,923	3,525	1,923	3,525	1,923	3,525	1,923	3,807	2,079	3,807	2,079	3,807	2,079
Total	29,772	16,182	9,844	18,995	34,759	18,995	35,624	19,493	39,729	21,738	43,605	24,136	43,605	24,136	43,605	24,136	43,605	24,136	41,582	24,670	41,582	24,670	41,582	24,670
Production lard and rendered pork fat																								
Federally inspected	944	1,527	327	1,526	1,724	312	1,724	312	1,724	312	1,724	312	1,724	312	1,724	2,080	2,367	1,311	2,080	2,367	1,311	2,080	2,367	1,311
Other wholesale and retail:	219	327	489	312	485	443	312	485	443	312	485	443	312	485	443	491	356	498	491	356	498	491	356	498
Farm	1,630	2,343	2,281	2,281	2,469	2,469	2,281	2,469	2,469	2,281	2,469	2,469	2,281	2,469	2,469	3,056	3,203	2,132	3,056	3,203	2,132	3,056	3,203	2,132
Total	2,793	5,197	1,105	5,197	5,913	1,244	5,913	1,244	5,913	1,244	5,913	1,244	5,913	1,244	5,913	6,127	6,930	3,940	6,127	6,930	3,940	6,127	6,930	3,940

1/ Preliminary.

2/ Includes 187,000 cattle and 39,000 calves in 1935, and 4,000 cattle in 1936 slaughtered for Government account.

3/ Includes an estimated 114 million pounds of cattle and 10 million pounds of calves slaughtered under the drought purchase programs in 1935 and early 1946.

4/ Includes an estimated 57 million pounds of beef and 5 million pounds of veal produced under the emergency Government relief purchase program in 1935.

5/ Includes some animals slaughtered on farms for nonfarmers and slaughtered by or for nonfarmers for their own use.

2,130
2,300

131.5

1941

Total Cattle Slaughter Large Despite Reduction in
Inspected Slaughter

Total cattle and calf slaughter in the first 4 months of 1946 continued at a high rate. Federally inspected slaughter was reported to be 18 percent less than a year earlier but a substantial diversion of cattle to non-federally-plants occurred during this period. Slaughter supplies of grain-fed cattle for the year as a whole will be less than in 1945, but the number of grass-fat cattle slaughtered in the late summer and fall may not be greatly different from the large slaughter of 1945.

Bluestem pastures in Kansas and Oklahoma are well stocked with cattle this year, and prospects for spring and summer grazing in those areas are good to excellent. Most of the cattle from these pastures are usually marketed prior to the peak movement of grass-cattle marketings, which normally occurs in October.

Grain Feeding of Cattle Lower This Year Than Last

The number of cattle on feed in the Corn Belt on April 1 was estimated to be 17 percent (around 350,000 head) less than a year earlier. This percentage reduction was the largest on record except for the years following the droughts of 1934 and 1936. The sharpest reduction in the number of cattle on feed April 1 this year occurred in the 6 Western Corn Belt States, where numbers were down about 20 percent. With the recent sharp advance in feed prices and the uncertainty as to price ceilings and subsidies, the number of cattle put on feed in the next 6 months may be sharply reduced. The discontinuance on June 30, 1946 of the 50-cent per 100 pound subsidy on sales of higher-grade cattle will be another factor tending to discourage feeding.

Unless feed-grain production is unusually large this year or unless there is a sharp drop in feeder cattle prices, the movement of cattle to feedlots in the fall will be restricted and many feeder-type cattle that normally would be grain fed will go straight to slaughter. A relatively narrow spread between prices of feeder and fat cattle has existed since last fall. Feeder-cattle prices have continued at record levels, while prices of fed cattle have been held at levels only slightly above 1945.

Hog Slaughter Up From Year Ago:
Lamb Slaughter to be Below 1945

Hog slaughter under Federal inspection in January-April totaled 17.1 million head, 13 percent greater than a year earlier but otherwise the lowest since 1941. Marketings hit a seasonal low in late March but increased somewhat in April and early May as marketings of fall pigs got underway in volume. Hog slaughter during the remainder of 1946 probably will continue larger than a year earlier. The 1945 fall pig crop was 15 percent greater than a year earlier. Hogs from the 1946 spring crop are likely to be marketed earlier than those from the 1945 spring crop, reflecting smaller supplies and higher prices of corn during the summer and early fall than a year ago. Total slaughter of hogs for the year may be around 10 percent greater than the 68.5 million head slaughtered in 1945.

Lamb slaughter beginning in May fell below a year earlier. Slaughter is likely to continue below 1945 for the remainder of the year, chiefly reflecting the 13-percent reduction in the early spring crop and a probable reduction in the late crop of lambs. The total lamb crop will be materially less than the 28.2 million head of 1945. Total slaughter of sheep and lambs in 1946 may be the smallest since 1941.

During the last quarter of 1945 and the first quarter of 1946, meat production was at a high level, second only to the corresponding period of 1943-44. Nevertheless, supplies were insufficient to meet the strong demand at ceiling prices. Military purchases were sharply reduced during this period; as a result, disappearance of meat into civilian channels during the 6-month period was approximately 85 pounds per capita two pounds greater than the wartime high attained in the fall and winter of 1943-44. Storage holdings of meat increased less than seasonally in late 1945 and early 1946.

[illegible]

Meat supplies will decline until late summer as production decreases seasonally. Although civilian supplies will be greater than a year ago, supplies will not be large enough in the remaining months of the year to fill all demands at current retail prices. Per capita civilian meat consumption for 1946 may be 145 to 150 pounds (dressed meat basis), 7 to 10 pounds greater than in 1945 but 15 to 20 pounds less than potential demand at currently reported retail prices. Distribution for meat to civilians was controlled by rationing in 1945. Although supplies will be larger in 1946, they will not be so well distributed among users and by geographical areas.

Military purchases of meat (dressed carcass equivalent) are not likely to exceed 800 million pounds this year compared with net purchases of approximately 3.3 billion pounds in 1945. But exports and shipment from the United States may be somewhat larger than the 1.2 billion pounds exported in 1945.

Cash Income From Meat Animals in 1946 to be Near 1945;
Sales Reduced But Prices Higher

Cash receipts from farm marketings of meat animals reached a record high in 1943 of 5,865 million dollars, almost 2-1/2 times as great as the 1937-41 average. Receipts declined to 5,702 million dollars in 1944 but increased to 5,826 million dollars in 1945.

Cash receipts to farmers from sales of meat animals in 1946 probably will be close to the estimated 5,826 million dollars of 1945. Because of smaller marketings of cattle and lambs farm sales may be reduced 3 to 5 percent from those of 1945. Meat-animal prices averaged higher than a year earlier through May. If price ceilings on meats and meat animals are continued at present levels in the second half of 1946, prices of meat animals for the year are likely to average higher than in 1945, or around 80 percent above the 1937-41 average.

Prices received by farmers for all meat animals as a group in April and May this year were slightly higher than a year earlier and were exceeded only in the spring and summer of 1919. Prices were well above parity for all species, except sheep. Hog prices were the highest since 1917-19. Cattle prices were the highest on record. Unit returns from sales of lambs, including producers' subsidies, exceeded those of 1917-19, the previous record.

Meat-Animal Production on Farms
In 1945 the Fourth Largest on Record

Liveweight production of meat animals on farms, which reached a low of 23.2 billion pounds in 1937 following the mid-1930 droughts, increased greatly in the following 6 years. Production exceeded 40 billion pounds for the first time in 1942 and reached a record high of 46.3 billion pounds in 1943. Total production of meat animals declined in 1944 and 1945, mostly because of a decrease in hog production.

Meat-animal production on farms and ranches in 1945 totaled 40.2 billion pounds, liveweight -- the fourth largest on record. Production of cattle and calves at 19.0 billion pounds was slightly larger than a year earlier and was the greatest ever produced. Hog production, estimated at 19.2 billion pounds, was the smallest since 1941. Sheep and lamb production was the lowest since 1937.

Table 3.- Cash income, sales, and prices received by farmers for meat animals, 1937-41 average, 1942-45 annual, and forecast 1946

Item	Unit	1937-41 average	1942	1943	1944	1945	1946 (forecast)
Cash receipts from farm marketings:							
Cattle and calves ..	Mil.dol.	1,358	2,293	2,581	2,604	3,219	3,715
Hogs	" "	949	2,192	2,942	2,813	2,288	2,972
Sheep and lambs	" "	184	307	342	303	319	355
		<u>2,491</u>	<u>4,792</u>	<u>5,865</u>	<u>5,720</u>	<u>5,826</u>	<u>7,000</u>
Sales of meat and meat animals:							7,042
Cattle and calves (live weight basis)	Mil.lb.	17,890	21,142	21,424	23,589	26,290	
Hogs (live weight basis)	" "	12,642	16,697	21,358	21,411	16,175	
Sheep and lambs, (live weight basis)	" "	<u>2,471</u>	<u>2,947</u>	<u>3,039</u>	<u>2,825</u>	<u>2,827</u>	
		<u>33,003</u>	<u>40,786</u>	<u>45,821</u>	<u>47,825</u>	<u>45,292</u>	<u>43,500</u>
Average price received by farmers 2/:							
Beef cattle (100 lb.)	Dol.	7.41	10.62	11.90	10.80	12.10	
Veal calves (100 lb.)	"	8.72	12.45	13.50	12.50	13.20	
Hogs (100 lb.)	"	7.59	13.04	13.70	13.10	14.00	
Sheep (100 lb.)	"	4.20	5.78	6.57	6.01	6.35	
Lambs (100 lb.)	"	8.28	11.74	12.96	12.51	13.00	
All Meat animals (100 lb.)	"						15.60
Index of prices received by farmers, all meat animals 3/...	---	123	188	209	200	210	220

1/ Preliminary. 2/ Weighted average: 1937-41 is the simple average of the weighted annual average for each of the 5 years. 3/ August 1909-July 1914 = 100.

Table 4.- Meat-animal production on farms and ranches, liveweight, United States, averages 1924-28, 1929-33, and 1934-38, annual 1939-45

Year	Cattle and calves	Hogs	Sheep and lambs	Total
	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.
1924-28 average	12,672	15,399	1,603	29,674
1929-33 average	13,796	16,047	1,906	31,749
1934-38 average	14,077	12,583	1,917	28,577
1939	15,097	17,082	2,041	34,220
1940	15,583	17,043	2,087	34,713
1941	16,718	17,473	2,267	36,458
1942	17,967	21,054	2,332	41,353
1943	18,707	25,470	2,134	46,311
1944	19,012	20,757	1,980	41,749
1945 1/	19,028	19,190	1,959	40,174
1946				

1/ Preliminary.

GOVERNMENT ACTIONS

Livestock Slaughter Control
Program in Operation

Following the establishment of quotas on cattle and calf slaughter by custom slaughterers April 1 (OPA RMPR 169, Amendment 69), the Department of Agriculture and Office of Price Administration on April 15 announced a plan to limit cattle, calf, and hog slaughter by commercial slaughterers. The object of the program is to prevent undue diversion of meat animals from regular slaughter establishments. The program became effective April 28 (except for noninspected slaughterers whose quota periods began May 1). Controls for federally inspected plants are contained in WFO 75-7, administered by the Department of Agriculture. Slaughter controls for non-inspected slaughterers are contained in a new order, OPA Control Order No. 2.

The new slaughter control program, similar to OPA's Control Order No. 1, which was in effect from April 30 to September 8, 1945, sets quotas for cattle and calf slaughter for individual slaughterers at 100 percent of their kill in the comparable month or accounting period of 1944. Quotas for hog slaughter were originally set at 80 percent of a slaughterer's monthly kill in 1944. However, reflecting the substantial increase in hog marketings and an increase in the hog slaughter quotas to 90 percent beginning with the May accounting period was announced May 13. The new order (WFO 75-7) limits total slaughter in federally inspected plants for the first time. No quotas are set for "Certified" federally inspected slaughterers, as such controls are specifically prohibited by the Patman Amendment to the Price Control Act. No restrictions are placed upon delivery of meat, as in Control Order No. 1. Slaughter by farmers is not restricted.

To implement the slaughter-control program, Reconstruction Finance Corporation will withhold subsidy payments from slaughterers in violation of quotas.

Pork and Lard Set-asides Increased

Beginning May 5, federally-inspected and "Certified" slaughterers were required to set aside for Government purchase a quantity of pork equal to 15 percent of liveweight hog slaughter. The previous or set-aside was 13 percent. The lard set aside also was increased, from 5 percent to 6 percent of liveweight slaughter. The lard set-aside provisions were amended so that rendered pork fat as well as lard may be delivered to the Government. Slaughterers in the 4 states, Kentucky Tennessee, Virginia and West Virginia, formerly exempt from the pork and lard set-asides, were required to set aside pork products for government purchase beginning May 12. Seven southern States are now exempt from the pork and lard reservation order.

Feed-Price, Livestock-Production
Policy Announced; Fall Pig-Crop Goal Set

Sharp increases in feed-grain and protein-feed prices effective May 13, a price policy for feed, and a livestock-production policy were announced by the Office of Economic Stabilization, the Department of Agriculture and the Office of Price Administration May 8.

Authorized increases in price ceilings on feed grains per bushel were: Corn, 25 cents; wheat, 15 cents; oats, 5 cents; barley, 9 cents; and rye, 10 cents. The increase in grain-sorghum prices was 18 cents per hundred-weight. The grain-price schedule is intended to cover possible further increase in parity; it was stated that the new price schedule can be expected to continue without change at least until June 30, 1947.

The following increases in price ceilings for protein feeds, per ton were made: Cottonseed, soybean, linseed and peanut meals, \$14.00; fish meal, \$10.00; fish scrap, 7.50; bone meal, 7.50; meat scrap, \$10.00; corn germ meal, \$10.00; gluten feed and meal, \$14.00 and minor meals and byproduct feeds \$10.00.

The policy of the Government as announced in the May 8 release is to discourage heavy grain feeding of cattle and to encourage marketing of hogs at lighter market weights, the production of fewer hogs, and less poultry and eggs. Object is to conserve grain for direct human consumption. A 1946 fall pig-crop goal of 31.5 million head was announced by the Department of Agriculture May 12. The goal, 10 percent less than the fall pig crop of 1945, reflects the newly-announced policy to conserve grain.

No price ceiling increases are planned for pork, top grades of beef, eggs, or poultry during the year ahead, except as may be required by changes in parity as provided by law. Because of the desirability of maintaining milk production at a high level, increases in feed costs will be considered in any further adjustment that may be provided in returns to dairy farmers.

The 30-cent bonus corn purchase program of the Department of Agriculture was terminated May 11. About two-thirds of the quantity called for in the original goal was purchased and all the corn scheduled for export was obtained before the program was terminated.

UNITED STATES EXPORTS AND IMPORTS OF MEAT AND MEAT ANIMALS

Meat Exports to be Large in 1946

United States exports of meat this year probably will exceed the 1.2 billion pounds, dressed meat basis, exported in 1945, but are likely to fall below those of 1942-44. Exports of meat, including shipments to United States territories, declined steadily after World War I, reaching the very low average of 197 million pounds a year in 1935-39. Exports rose sharply with the beginning of the lend-lease program in 1941, and reached a record high of 2.5 billion pounds in 1943 (Table 5).

Exports of meat to the U. K. and U. S. S. R. continued relatively large in early 1946. (Table 6.) Exports to other countries, in the first quarter of 1946 were greater than in any war year. The destinations of meat shipped from the United States this year will be much different from those of 1945, when the United Kingdom received approximately 40 percent of total exports and shipments, Russia 30 percent, and other countries the remaining 30 percent. Under present plans for 1946, U. K. will receive approximately 20 percent of the total, Russia will receive a much smaller quantity than in 1945, and countries receiving meat distributed through UNRRA will receive almost 40 percent of the total. Other major recipients of meat will be France, Belgium, and the Netherlands East Indies. Small quantities will be exported to Latin American Republics.

Imports Low in 1945-46

United States imports of meat, which averaged 262 million pounds a year in 1935-39 (dressed meat basis), reached a peak of 315 million pounds in 1941. Imports totaled 228 million pounds and 246 million pounds, respectively, in 1942 and 1943, but dropped to practically nothing in 1944 and 1945. Meat exports from the principal exporting countries of the world are under Combined Food Board allocation, and the United States will receive only a very small quantity of imported meat in 1946.

Imports and Exports of Meat Animals Small

Exports of cattle, sheep, and hogs from the United States in immediate prewar years were small, and although exports have increased during the past 5 years, they are still small relative to livestock numbers or slaughter. Exports of slaughter, feeder and stocker cattle, sheep and hogs go principally to Mexico, Canada, and Central American Republics. Purebred or improved breeding stock are shipped from the United States to other countries in relatively small numbers. A relatively small number of cattle have been shipped to Europe by UNRRA since the end of the war. A strong demand for meat in Mexico and high livestock prices in that country contributed to the export of 19,564 cattle, 4,881 sheep, and 23,324 hogs from the United States in 1945. Comparable averages for 1937-39 were 3,562 cattle, 1,590 sheep, and 513 hogs.

Imports of cattle into the United States in the first 3 months of 1946 were reported to be 180,136 head. Imports have averaged below prewar during the war years, as Mexico has set export quotas and Canada has embargoed shipments of slaughter cattle. Imports of cattle by the United States in 1945 totaled 511,619 of which 435,435 were from Mexico. Average imports into the United States in 1937-39 were 569,767 head, including 321,512 head from Mexico.

A record member of sheep and lambs entered the United States from Canada in late 1944 and early 1945 after the lifting of an embargo on the shipment of slaughter stock from that country. The Canadian Government reinstated the embargo July 6, 1945.

Table 5 -- Exports and imports of meats, dressed meat basis, 1899-1945

Year	Exports 1/				Imports				
	Beef and veal	Pork excluding lard	Lamb and mutton	All meats	Beef	Veal	Pork excluding lard	Lamb and mutton	All meats
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1899	493.2	939.8	0.7	1,433.7	0.4	0.2	0.5	0.1	1.2
1900	525.2	854.1	.8	1,380.1	.7	.2	.5	.1	1.5
1901	548.9	865.0	.3	1,414.2	.8	.1	.6	.1	1.6
1902	501.6	649.3	3.8	1,154.7	.6	.1	.8	.1	1.6
1903	530.0	569.4	3.2	1,102.6	.6	.1	.9	.2	1.8
1904	457.4	585.1	1.3	1,043.8	.6	.1	1.0	.2	1.9
1905	531.8	685.3	1.3	1,218.4	.7	.1	1.0	.2	2.0
1906	451.3	728.7	1.3	1,181.3	.7	---	1.0	.2	1.9
1907	404.0	617.7	1.7	1,023.4	.6	.1	.9	.3	1.9
1908	269.8	637.8	2.1	909.7	.6	---	.8	.3	1.7
1909	203.2	498.1	2.2	698.5	.9	---	.9	.5	2.3
1910	140.0	331.7	2.5	474.2	1.2	---	1.2	.5	2.9
1911	123.9	480.6	3.0	607.5	1.3	---	1.4	.2	2.9
1912	84.5	466.6	5.8	556.9	3.2	---	1.4	.2	4.6
1913	66.8	479.3	5.5	551.6	41.9	.6	1.4	.7	44.6
1914	150.4	398.9	4.6	553.9	276.6	3.2	28.3	20.1	328.2
1915	518.0	931.6	5.0	1,454.6	111.4	1.0	5.8	12.0	130.2
1916	385.4	1,033.3	6.1	1,424.8	21.0	.9	1.2	15.8	38.9
1917	488.4	959.9	3.6	1,451.9	51.4	.9	2.9	5.7	60.9
1918	954.3	1,809.7	2.3	2,766.3	375.4	.9	3.8	.6	380.7
1919	405.7	1,895.9	3.5	2,305.1	75.8	4.9	5.8	8.3	94.8
1920	219.8	949.3	4.0	1,173.1	51.0	9.8	2.5	102.2	165.5
1921	85.1	788.2	2/ 64.6	927.9	29.6	4.0	1.1	25.7	60.4
1922	87.9	753.6	2.1	843.6	33.7	5.6	1.2	12.1	52.6
1923	90.1	1,036.7	2.7	1,129.5	29.9	2.8	1.6	5.6	39.9
1924	86.1	767.3	2.0	855.4	31.6	4.6	7.1	2.2	45.5
1925	80.4	578.3	2.0	660.7	33.0	3.7	9.3	2.7	48.7
1926	70.6	449.6	1.7	521.9	72.2	3.9	12.6	3.2	91.9
1927	69.1	344.1	1.5	414.7	133.8	7.6	22.5	2.8	166.7
1928	59.0	363.3	1.5	423.8	181.9	8.0	13.4	3.4	206.7
1929	63.5	407.5	1.4	472.4	245.5	5.2	8.9	4.0	283.6
1930	59.0	339.3	2.1	400.4	134.3	1.9	2.6	.7	139.5
1931	58.1	224.4	1.6	284.1	52.1	.3	4.1	.2	56.7
1932	32.3	175.4	1.4	209.1	63.2	.1	6.1	.1	69.5
1933	39.2	201.8	1.6	242.6	104.3	.1	3.1	---	107.5
1934	55.9	210.8	1.9	268.6	117.8	---	1.7	---	119.5
1935	52.5	136.2	2.3	191.0	200.7	.2	11.1	---	212.0
1936	54.3	118.3	1.9	174.5	225.6	.1	44.9	---	270.6
1937	50.6	114.4	2.0	167.0	226.6	.2	80.2	.1	307.1
1938	52.6	152.5	2.2	207.3	199.6	.1	57.2	---	256.9
1939	52.4	191.8	2.1	246.3	219.1	.2	44.9	.1	264.3
1940	55.5	162.8	2.5	220.8	167.4	.1	5.9	.2	173.6
1941	105.3	568.7	2.9	676.9	302.3	.2	12.4	.1	315.0
1942	40.8	310.3	2.7	353.1	226.0	.2	1.3	.5	228.0
1943	197.5	201.4	1.2	399.9	237.8	.2	7.5	.8	246.3
1944	136.2	1,699.2	73.0	1,899.4	5.5	.1	.3	---	5.8
1945 3/	259.8	903.9	28.9	1,182.6	127.0	1.1	2.2	---	2.2
1945 1/	624.5	572.7	129.9	1,331.1	12.4	1.0	.5	---	20.9

1/ Including shipments to United States territories.

2/ Mostly reexports.

3/ Preliminary.

Source: 1899-1939, U.S.D.A. Technical Bulletin No. 764, Trends in Production and Foreign Trade for Meats, 1941, page 58, converted to a dressed meat basis from Department of Commerce data; 1940-45 from records and reports of the Department of Agriculture and the Department of Commerce.

Table 6.- Exports of meats from the United States to United Kingdom, USSR, and other countries, excluding shipments to territories - 1937-39 average, 1940-46

Item	Average, 1937-39	1940	1941	1942	1943	1944	1945	Jan.- March 1946
	Thous.lb.	Thous.lb.	Thous.lb.	Thous.lb.	Thous.lb.	Thous.lb.	Thous.lb.	Thous.lb.
United Kingdom								
Beef and Veal								
Fresh and frozen, pickled and cured	237	80	258	867	25,113	17,214	33,207	57,866
Corned beef, beef hash, roast beef and canned beef	1,546	297	7,786	5,002	112	797	1/	4
Pork								
Fresh and frozen	5,328	7,044	190	71,105	315,805	549,464	227,921	18,963
Hams and shoulders, cured	42,868	7,719	50,144	61,925	129,297	76,920	52,745	3,284
Bacon	1,975	2,618	63,508	57,084	21,373	116,551	10,106	64
Cumberland and Wiltshire sides	2,478	5,027	4,790	110,249	72,700	2,783	7,551	---
Pickled or salted	1,228	3,439	36,786	15,478	3,133	80,760	223	72
Canned	6,902	4,022	48,757	118,680	95,610	18,702	1,145	8,282
Lamb and Mutton	70	24	11	4,535	123,742	24,709	8,772	7,161
Sausage, bologna and frankfurters	28	---	---	997	175	1,092	1/	---
Sausage, canned	53	5	74,272	241,037	175,903	26,253	110	6,584
Canned meat, other	835	459	43,134	23,828	141,875	8,743	---	43
TOTAL	63,548	30,732	329,636	710,787	1,104,838	923,988	341,780	97,323
USSR								
Beef and Veal								
Corned beef, beef hash, roast beef and canned beef	---	---	---	2,731	4,482	77	9,421	15,950
Pork								
Hams and shoulders, cured	---	---	---	6,384	17,662	1,675	1,635	---
Bacon	---	---	---	29,620	16,852	4,068	19,992	---
Pickled or salted	---	---	---	43,644	254,476	160,527	81,020	---
Canned	---	---	---	64,531	121,757	62,477	47,538	1,706
Sausage, bologna and frankfurters	---	---	---	674	198	422	8	40
Sausage, canned	---	---	---	122,792	191,244	194,149	81,229	6,583
Canned meat, other	---	---	---	14,530	213,987	202,942	28,324	69,256
TOTAL	---	---	---	284,906	822,065	616,337	269,167	93,535
Other Countries								
Beef and Veal								
Fresh and frozen, pickled and cured	11,586	15,829	19,534	11,699	10,399	8,185	22,089	109,403
Corned beef, beef hash, roast and canned beef	570	448	781	965	673	1,764	29,337	52,062
Pork								
Fresh and frozen	9,583	32,766	6,987	3,444	3,098	1,801	837	1,334
Hams and shoulders, cured	7,116	9,611	16,650	2,957	2,032	2,957	2,224	1,144
Bacon	5,760	6,556	10,627	5,993	2,655	1,345	2,169	300
Cumberland and Wiltshire sides	21	3	34	489	40	---	---	1/
Pickled or salted	11,460	12,340	26,135	12,239	9,716	16,057	26,425	4,395
Canned	1,415	2,689	3,521	47,317	25,075	40,269	23,638	10,953
Lamb and Mutton	442	591	603	632	461	603	1,051	478
Sausage, bologna and frankfurters	1,213	1,935	2,502	2,879	372	492	576	345
Sausage, canned	1,490	1,254	2,276	26,790	29,383	35,494	10,465	15,325
Canned meat, other	1,206	1,463	2,251	2,214	12,443	3,378	133,399	183,690
TOTAL	51,862	85,485	91,901	117,627	96,285	112,345	252,210	379,429
Total, all countries, excl. U.S. territories								
Beef and Veal								
Fresh and frozen, pickled and cured	11,823	15,909	19,792	12,566	35,512	25,399	55,296	167,269
Corned beef, beef hash, roast and canned beef	2,116	745	8,567	8,698	5,267	2,638	38,758	68,016
Pork								
Fresh and frozen	14,911	39,810	7,177	74,549	318,903	551,265	228,758	15,297
Hams and shoulders, cured	49,984	17,330	66,794	71,266	148,991	81,552	56,604	4,428
Bacon	7,735	9,174	74,135	92,697	40,880	121,964	32,267	364
Cumberland and Wiltshire sides	2,499	5,030	4,824	110,738	72,740	2,783	7,551	1/
Pickled or salted	12,688	15,779	62,921	71,361	267,325	247,344	107,668	4,467
Canned	8,317	6,711	52,278	230,528	242,442	121,448	72,321	20,941
Lamb and Mutton	512	615	614	5,167	124,193	25,312	9,823	7,639
Sausage, bologna and frankfurters	1,241	1,955	2,502	4,560	745	2,006	584	385
Sausage, canned	1,543	1,257	76,548	390,619	396,530	255,896	91,804	28,492
Canned meat, other	2,041	1,922	45,385	40,572	368,305	215,063	161,723	252,989
TOTAL	115,410	116,217	421,537	1,113,311	2,021,833	1,662,670	863,157	570,287

1/ Less than 500 lbs.

Compiled from reports of the U. S. Department of Commerce.

Table 7.- United States exports of cattle, sheep and hogs from the United States, 1937-39 average, 1940-46

Country of destination	Average 1937-39	1940	1941	1942	1943	1944	1945	January- March 1946
	Number	Number	Number	Number	Number	Number	Number	Number
Cattle								
Mexico	2,172	2,271	3,940	4,184	4,003	7,988	11,424	
Venezuela	277	103	84	8	36	336	1,882	
Panama Canal Zone	107	299	261	37	---	202	203	
Cuba	243	261	166	287	6	41	67	
Canada	216	126	251	190	106	226	197	
Chile	30	87	3	---	---	1	---	
British Malaya	72	66	92	---	---	---	---	
Panama Republic	89	5	3	---	---	157	88	
Other countries	356						5,703	
Total	3,562	3,892	5,752	4,834	4,402	10,215	19,564	9,554
Sheep and lambs								
Mexico	690	773	1,554	1,277	2,471	23,617	4,605	
Canada	253	40	18	123	31	186	11	
Venezuela	33	---	---	---	---	1,041	---	
China	425	---	---	---	---	---	---	
Japan	119	---	---	---	---	---	---	
Other countries	70	31	40	4	21	22	265	
Total	1,590	844	1,612	1,404	2,523	24,866	4,881	362
Hogs								
Canada	269	1,004	2	3	20	315	9	
Mexico	49	86	478	42	549	27,901	23,042	
Other countries	195	222	211	84	44	288	273	
Total	513	1,312	691	129	613	28,504	23,324	2,770

Compiled from Foreign Commerce and Navigation of the United States and other official records of the Department of Commerce.

Table 8.- United States imports of cattle, sheep and hogs for consumption and breeding, 1937-39 average, 1940-46

Country of origin	Average 1937-39	1940	1941	1942	1943	1944	1945	January- March 1946
	Number	Number	Number	Number	Number	Number	Number	Number
Cattle								
Mexico	321,612	411,445	496,384	455,623	587,936	301,126	435,435	148,623
Canada	245,838	232,260	252,353	213,139	64,647	57,125	76,130	31,613
British West Indies	695	---	---	---	---	---	---	---
Other countries	1,722	1,531	645	89	27	18	54	---
Total	569,767	645,236	749,282	668,851	652,610	358,269	511,619	180,136
Sheep and lambs								
Mexico	3,853	---	7,847	---	1,189	2,064		
British West Indies	634	---	---	---	---	---		
French West Indies	190	---	---	---	---	---		
Canada	2,593	3,376	4,326	5,410	3,087	138,544		
Other countries	1,360	7	29	53	12	125		
Total	8,630	3,383	12,202	5,463	4,288	140,733	101,140	534
Hogs 1/ (In thousand pounds)								
Canada	5,507	55	8,249	10	16	5	16	1
Mexico	6	---	774	82	---	---	---	---
Other countries	53	---	---	---	---	---	---	---
Total	5,566	55	9,023	92	16	5	16	1

1/ Excludes a small number for breeding.

Compiled from Foreign Commerce and Navigation of the United States and official records of the Department of Commerce.

European Meat Production at
Low Level

The United Kingdom, the principal meat importing country of the world, had prewar imports of around 3.4 billion pounds of meat a year. Continental Europe, excluding USSR, had a prewar net export balance of 300 to 400 million pounds a year. Only a relatively small part of the United Kingdom's imports were from the United States.

Table 9.- Meat production, consumption and world trade
prewar, and estimated world meat production
1944 and 1945 ^{1/}

Country	Prewar			1944	1945
	Production	: Net imports: Con-		Production	Production
		: or net : sum-			
		: exports : tion			
		(-)	2/	3/	3/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
United States	16,182	65	16,303	24,648	22,891
Canada	1,417	-161	1,256	2,620	2,408
United Kingdom	2,577	3,382	5,913	---	---
Australia	2,094	-496	1,598	2,321	2,016
New Zealand	1,127	-594	533	1,104	1,173
Continental Europe (Excl. USSR)	24,100	-370	23,730	17,040	13,150
South America	8,200	-2,030	6,170	8,500	7,800
Other countries	10,103	---	---	---	---
Total 4/	65,800	---	---	66,100	59,300

^{1/} Carcass meat excluding edible offal.

^{2/} Or apparent disappearance.

^{3/} Preliminary.

^{4/} Total includes 40 countries, which in 1938 produced 66.3 billion pounds of meat out of an estimated total of 70 billion pounds for 67 countries excluding China.

Foreign data from Office of Foreign Agricultural Relations, USDA.

Hog numbers in Europe (including U.K. and Eire but excluding Russia) in early 1946, estimated at around 46 million head, were 57 percent less than the average for 1936-40. Total hog numbers in the United Kingdom were less than half as large as prewar. Hog numbers in Europe declined sharply during the war, chiefly because of a lack of imported feeds. The present world shortage of feed and food grains will prevent any great increase in hog numbers on the continent and in the United Kingdom in the next year or two. European hog numbers also declined during the first World War; it was not until 1926, or 8 years after the Armistice, that numbers were restored to about the prewar level. Meat production Europe, excluding the Soviet Union, was estimated to be 57 percent of prewar in 1945, compared with 71 percent of prewar in 1944.

The number of cattle in continental Europe in 1945 was estimated to be less than 90 percent of 1936-40, although cattle numbers in the United Kingdom were around 10 percent greater than prewar. Some increase in European cattle numbers, mostly dairy stock, is expected this year.

The British Ministry of Food, on behalf of the United Kingdom and other United Nations, has agreed to purchase Argentina's exportable meat surplus, excepting supplies for neutrals and other Latin American countries, until October 1, 1948. This will be principally beef, and on the basis of present livestock trends, purchases under the agreement will total 1,600 million pounds to 2,000 million pounds annually, dressed weight equivalent. The United Kingdom has agreed to purchase a minimum of 350 million to 400 million pounds of bacon and ham from Canada in 1947 and 1948. Exports this year from Canada to the United Kingdom will total at around 350 million pounds compared with an average of 165 million in 1934-38. Prewar exports of meat from Australia and New Zealand totaled around 1,100 million pounds and went chiefly to the United Kingdom. Exports from Australia and New Zealand in 1945 were around 25 percent greater than prewar, and with average weather in the next few years could easily be continued at this rate.

Table 10.- Total meat production, production under Federal inspection and non-inspected production, United States, 1900-46

(Data for cover page chart)

Total meat production		Meat production excluding lard		Meat production excluding lard	
Year	: production : : excluding : : lard :	Year	: production : : excluding lard : : Total : Federally : Other : : inspected : :	Year	: production : : excluding lard : : Total : Federally : Other : : inspected : :
	: Mil. lb. :		: Mil. lb. Mil. lb. Mil. lb. :		: Mil. lb. Mil. lb. Mil. lb. :
1900	: 12,847 :	1916	: 15,907 :	1932	: 16,418 :
1901	: 13,141 :	1917	: 15,501 :	1933	: 17,317 :
1902	: 12,625 :	1918	: 17,341 :	1934	: 18,830 :
1903	: 13,362 :	1919	: 16,642 :	1935	: 14,423 :
1904	: 13,592 :	1920	: 15,334 :	1936	: 16,762 :
1905	: 14,219 :	1921	: 15,178 9,785 5,393 :	1937	: 15,709 :
1906	: 14,471 :	1922	: 16,138 10,657 5,481 :	1938	: 16,479 :
1907	: 14,782 :	1923	: 17,708 12,069 5,639 :	1939	: 17,534 :
1908	: 15,393 :	1924	: 17,595 11,982 5,613 :	1940	: 18,995 :
1909	: 14,740 :	1925	: 16,598 11,285 5,313 :	1941	: 19,493 :
1910	: 13,938 :	1926	: 16,649 11,465 5,184 :	1942	: 21,738 :
1911	: 14,869 :	1927	: 16,321 11,384 4,937 :	1943	: 24,136 :
1912	: 14,453 :	1928	: 16,248 11,439 4,809 :	1944	: 24,670 :
1913	: 14,475 :	1929	: 16,147 11,296 4,851 :	1/1945	: 22,391 :
1914	: 14,103 :	1930	: 16,016 10,992 5,024 :	2/1946	: 22,600 :
1915	: 14,886 :	1931	: 16,456 11,147 5,309 :		

1/ Preliminary. 2/ Forecast.

Table 11.- Index numbers of physical volume of farm marketings, meat animals, 1935-44 average and 1945-46, 1935-39 = 100 1/

(Data for one section of inside cover page chart)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1935-44 av.	123	105	112	110	112	108	102	111	124	148	146	135
1945	163	124	122	118	126	119	113	121	133	172	172	151
1946	144	150	118									

1/ Unadjusted for seasonal variation.

MAY-JUNE 1946

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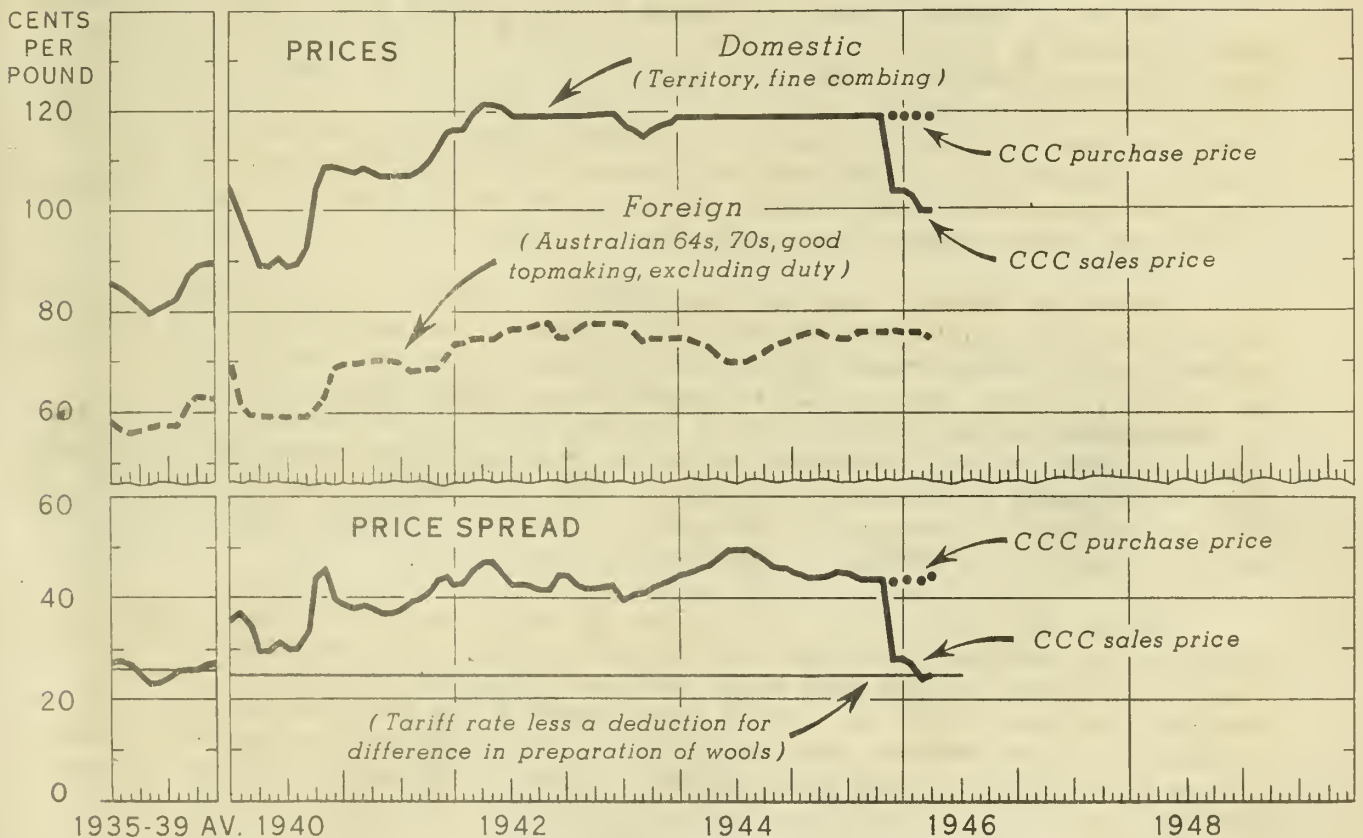
Livestock prices per 100 pounds (except where noted), marketings and slaughter statistics, by species, April 1946, with comparisons

PRICES

Item	January-April			1945		1946	
	1944	1945	1946	April	Feb.	March	April
	D&L.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Cattle and calves	:						
Beef steers sold out of first hands, Chicago:	:						
Choice and prime	16.38	16.74	17.46	17.27	17.46	17.35	17.24
Good	15.17	15.67	16.42	16.11	16.36	16.37	16.46
Medium	13.45	14.14	15.09	14.47	14.96	15.17	15.44
Common	11.51	12.02	12.56	12.47	12.32	12.84	13.21
All grades	14.97	15.46	16.36	16.14	16.14	16.26	16.56
Good, grade cows, Chicago	12.68	14.53	14.12	14.94	13.64	14.37	14.44
Vealers: Gd. and ch., Chicago ...	14.50	15.68	15.23	16.68	14.99	15.66	15.50
Stocker and feeder steers,	:						
Kansas City	12.59	13.22	14.84	13.90	14.71	15.22	15.86
Av. price rec'd by farmers:	:						
Beef cattle	11.72	12.05	12.80	13.10	12.60	13.10	13.70
Veal calves	13.08	13.45	13.98	13.90	13.90	14.10	14.30
Hogs	:						
Av. market price, Chicago:	:						
Farrowes and gilts	13.70	14.74	14.84	14.75	14.85	14.85	14.85
Sows	12.70	14.00	14.08	14.00	14.10	14.10	14.10
All purchases	13.54	14.69	14.78	14.71	14.77	14.80	14.81
Av. price rec'd by farmers for	:						
hogs	12.90	13.98	14.18	14.10	14.20	14.20	14.20
Av. price rec'd by farmers for	:						
corn 1/	113.8	106.8	112.8	107.0	111.0	114.0	116.0
Hog-corn price ratio, U. S. 2/ ...	11.4	13.1	12.6	13.2	12.8	12.5	12.2
Sheep and lambs	:						
Lambs, gd. and ch., Chicago	16.16	16.46	15.60	16.82	15.28	15.69	16.53
Feeding lambs, gd. and ch., Omaha:	13.03	13.68	15.16	14.00	15.50	15.38	15.30
Ewes, gd. and ch., Chicago	8.56	8.98	7.94	9.48	7.90	8.01	8.60
Av. price rec'd by farmers:	:						
Sheep	6.61	6.70	6.73	7.17	6.64	6.88	7.03
Lambs	13.20	13.52	13.48	13.90	13.30	13.60	14.00
Index retail meat prices 3/	130.5	130.6	---	130.8	131.3	131.3	
Index income of industrial	:						
workers 4/	339	331	---	323	219	238	
Number slaughtered under Federal inspection and market statistics							
	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.
Cattle	4,179	4,624	3,645	979	1,015	904	715
Calves	2,029	2,054	1,796	477	427	484	445
Sheep and lambs	6,350	6,926	7,350	1,507	2,196	1,978	1,736
Hogs	28,674	15,106	17,103	3,066	4,698	3,636	3,858
Av. live weight of hogs,	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
7 markets	248	255	258	266	264	253	252
Percent packing sows are of	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
all purchases, 7 markets	6	4	4	3	5	3	2

1/ Cents per bushel. 2/ Number of bushels of corn equivalent in value of 100 pounds of live hogs. 3/ Bureau of Labor Statistics, 1935-39 = 100. 4/ 1935-39 = 100.

PRICES OF DOMESTIC AND FOREIGN FINE WOOLS, SCoured BASIS,
AT BOSTON, AND SPREAD BETWEEN THESE PRICES,
1935-39 AVERAGE, AND 1940-46



PRICES OF DOMESTIC AND FOREIGN WOOL COMPILED FROM REPORTS OF THE PRODUCTION AND MARKETING ADMINISTRATION

U. S. DEPARTMENT OF AGRICULTURE

NEG. 45633 BUREAU OF AGRICULTURAL ECONOMICS

FIGURE 2.

As a result of recent reductions in Commodity Credit Corporation selling prices, prices paid by United States mills for domestic wools are now in more nearly normal relationship with prices of imported wools than at any time since 1939. The spread between Boston prices (scoured basis) of domestic fine combing territory wool and imported fine topmaking Australian wool, before payment of duty, was about 25 cents a pound in April. This was about the same as the 1935-39 average spread and was about equal to the import duty of 34 cents a pound with adjustment for the better preparation of imported fine wools.

THE WOOL SITUATION

Wool Prices will continue to Depend
on Government Program

Prices of domestic wool to United States growers and to mills, at least until November 1, 1946, will continue to be determined by Government's purchase and sales program. Prices to growers will continue about at present levels during this period, since the CCC will continue to purchase wool until that date under the current purchase program. Since November 27, 1945, under a policy designed to permit sales of domestic wool at prices more or less in line with comparable foreign wool, CCC has been making domestic wool available to mills at prices much below the purchase price.

Prices of foreign wool are now largely determined by the prices at which the British Joint Organization is selling Australian, New Zealand and South African wool. These prices will remain unchanged through June 30, the end of the present selling season in those countries. Prices after June 30 will be determined largely by the British program for the new season. The British Joint Organization will regulate offerings when auctions are resumed. It will also be prepared to buy British Dominion wool at a "stabilization price" if the wool is not sold to commercial interests at this or a higher price. This will act as a support for prices in foreign markets.

World supplies of wool are unusually large, but most of the supply for export is controlled by the British Joint Organization. The Organization held about four-fifths of the 1945 total carry-over in the principal exporting countries and will hold an equally large part of the 1946 carry-over. Prices in South American markets have been firm in recent months and for most grades appear to be fully in line with prices of similar Australian and New Zealand wools.

CCC Sales of Domestic Wool
Relatively Small, Stocks Large

The increase in CCC sales of domestic wool which immediately followed the February price reduction was not maintained in following weeks. A year's sales at the March rate would amount to little more than half of our 1946 indicated domestic production. The 1946 clip is now arriving in volume for appraisal and purchase, and CCC stocks will increase rapidly unless sales to mills are greatly increased.

The greater part of CCC stocks of domestic wool are fine and halfblood wools. These grades constituted 75 percent of the shorn wool and about 47 percent of the pulled wool stocks (actual weight). About 17 percent of the shorn wool and 49 percent of the pulled wool stocks graded 3/8 blood and 1/4 blood.

April 1 Carryover of Apparel Wool
Much Larger than a Year Earlier

United States stocks of apparel wool have increased considerably during the past year. On April 1, stocks of apparel wool held by mills and dealers, and Government owned wool available to domestic mills, totaled about 835* million pounds, grease basis, compared with 679 million pounds a year earlier. Although current mill consumption is only about twice as large as the pre-war rate of consumption, stocks this year were about 4 times as large as the 1935-39 average April 1 stocks. These stocks do not include any appreciable quantity of the new seasons production, since little new-clip wool had moved to dealers by that date. In addition to these stocks, about 181 million pounds of British owned wool were stored in this country on April 1. This wool is being reexported however, and it is unlikely that any of it will be available for commercial use in the United States.

Privately owned stocks on April 1--largely foreign wool--were about 50 million pounds larger than a year earlier, reflecting large imports by commercial interests during the past year. United States Government stocks of domestic wool at 460 million pounds were 168 million larger than a year earlier. Because of the low rate of consumption of domestic wool, a considerable part of the 1945 domestic production went into Government stocks. United States Government stocks of foreign wool, which totaled 66 million pounds on April 1, 1945 have all been sold to domestic users, or allocated to foreign countries.

Table 11. - Stocks of domestic wool owned by the Commodity Credit Corporation on March 31, 1946, by grades

Grade	Shorn		Pulled		Total	
	Greasy	Scoured	Greasy	Scoured	Actual weight	Grease basis
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Fine, 64/70s	229,921	1,657	2,752	1,306	235,636	239,528
Fine medium and 1/2 blood:						
60/64s and 60s	68,116	2,136	7,509	5,387	82,948	89,591
3/8 blood, 58s - 56s	46,603	1,887	6,267	10,098	64,855	71,651
1/4 blood, 50s. - 48s 2/	20,439	531	396	887	22,253	23,088
Low 1/4 blood, 46/48s	2,874	132	68	285	3,359	3,562
Common & braid, 36s - 44s	1,830	15	15	99	1,959	1,998
Other 3/	27,951	356	162	701	29,170	30,049
Total	397,734	6,714	16,969	18,763	440,180	459,467

1/ Approximate

2/ Include 50/56S scoured wool.

3/ Includes all offsorts which were not reported by grade.

Compiled from reports of the Commodity Credit Corporation

*As determined from scoured basis figures in Census' Advance Report.

Table 12.- Wool: Stocks held by mills and dealers and Government owned stocks, April 1, 1935-39 average and 1944-46 1/

	1935-39 average	1944	1945	1946 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds
Wool available for domestic use				
<u>Apparel wool</u>				
Privately owned				
Domestic wool	163	77	74	78
Foreign wool	49	210	247	3/ 297
Total	212	287	321	375
Government owned				
Domestic wool (CCC)	---	184	292	460
Foreign wool (DSC)	---	274	66	---
Total	---	458	358	460
Total apparel wool	212	745	679	835
Carpet wool, privately owned	46	40	66	96
Wool held for shipment abroad				
Owned by British Government <u>4/</u>	---	465	447	181
Owned by U. S. Government	---	---	--	5/ 1

1/ Excludes wool of the current years production except for small quantities which have moved to dealers prior to April 1.

2/ Determined in part from scoured basis figures in Census' Advance Report.

3/ Includes about 2 million pounds owned by War Assets Corp.

4/ Wool stored for the British Government is being reexported. None of this wool is likely to be available to commercial interests in the United States.

5/ Foreign wool held by Treasury Procurement but allocated to foreign countries.

Based on data from the Commodity Credit Corporation, Defense Supplies Corp. and Bureau of the Census. Reporting dates vary, but are approximately as of April 1. Privately owned stocks and CCC stocks converted to a grease basis. Stocks of foreign wool owned by the Defense Supplies Corp. and by the British Government are in actual weight but consist largely of grease wool.

Record peacetime Consumption
of Wool Indicated for 1946

United States mill consumption of apparel wool in 1946 probably will be close to the wartime annual average of a billion pounds, grease basis, and will be much larger than in any previous peacetime year. Weekly average consumption in March of about 21* million pounds, grease basis, was equivalent to an annual rate of about 1,100* million pounds. The rate of consumption in the first quarter of 1946 was about 20 percent higher than in the latter half of 1945. Present demand for wool clothing and demand for fabrics and clothing for commercial inventory replenishment undoubtedly would support an even higher rate of mill consumption.

Completion of the reconversion to civilian production and improvement in the labor situation contributed to the increase in mill consumption in the early months of the year. In February, 153,900 workers were employed in this industry compared with 134,300 at the low point in August 1945. Employment in February was 5 percent larger than a year earlier. A further increase was indicated for March. In recent months, the absence of strikes, increasing wages, and prospects of steady employment, have increased the attractiveness of employment in the woolen and worsted industry in relation to many other manufacturing industries. Average hourly earnings in the industry were 98.8 cents in February compared with 92.2 cents in January and 85.5 cents in February 1945. Weekly wages averaged \$41.04 in February compared with an average of \$40.60 for all manufacturing industries.

Production of Civilian Fabrics
Up Sharply

United States production of woolen and worsted woven fabrics totaled about 142 million linear yards in the first quarter of 1946 compared with 123 million yards in the final quarter of 1945. January-March production was only 7 percent larger than that of a year earlier. Practically all of the production this year was for civilian use. In the early months of 1945 about half of the production was for military. The January-March rate of fabric production, on an annual basis, was half again as large as the 1939 rate of production. Total production of civilian fabrics in 1946 will likely be much larger than in any previous peacetime year. The increase in total production in the first quarter of the year compared with 1939 was chiefly in women's wear fabrics. Production of men's wear fabrics was only a sixth higher than the 1939 rate of production, while production of women's wear fabrics was more than twice as high.

* As determined from scoured basis figures in Census Advance Report.

To stimulate production of men's wear fabrics, the OFA in February removed certain suiting fabrics from the provision of the Maximum Average Price Regulation for manufacturers who exceeded their base period production of these items. Similar exemption was later provided for overcoatings. These modifications, and provisions for channelling a greater part of available supplies of heavy-weight fabrics to the men's clothing industry under the low-cost clothing program are intended to improve the situation at retail. However, a shortage of linings, pocket material, and bindings has added to the difficulty of increasing production of men's wool clothing.

Table 13.- Woven wool cloth: Production by United States mills, annual 1939, 1942-44 and by quarters, 1945-46

	Apparel fabrics					Non-apparel fabrics			Total
	Mens wear	Womens wear	General use 1/	Other Apparel	Total Apparel	Blankets	Other 2/	Total 2/	woven fabrics
	Mil.yds.	Mil.yds.	Mil.yds.	Mil.yds.	Mil.yds.	Mil.yds.	Mil.yds.	Mil.yds.	Mil.yds.
1939	178.9	107.1	25.7	9.4	321.1	19.6	31.3	50.9	372.0
1942	277.0	107.6	63.4	8.8	456.8	64.1	6.9	71.0	527.8
1943	256.8	132.1	44.0	7.7	440.6	89.3	6.6	95.9	536.5
1944	218.5	171.3	46.9	5.1	441.8	78.9	8.2	87.1	528.9
1945									
1st quarter:	54.0	37.3	15.4	1.6	108.3	23.0	2.1	25.1	133.4
2nd quarter:	61.2	22.3	12.4	2.3	98.2	27.8	1.6	29.4	127.6
3rd quarter:	44.0	32.1	9.8	1.9	87.8	18.0	2.2	20.2	108.0
4th quarter:	44.6	49.6	11.0	2.0	107.2	11.4	5.9	17.3	124.5
Total	203.8	141.3	48.6	7.8	401.5	80.2	11.8	92.0	493.5
1946									
1st quarter:	51.9	55.0	12.9	2.1	121.9	12.8	7.4	20.2	142.1

1/ Includes melton, mackinaw, snow and ski-suit cloth, linings and inter-linings, and bathrobe flannels.

2/ Excludes woven felts which are reported by weight.

All yardage is on an equivalent 54-inch linear yard basis, except blankets which are on a 72-inch linear yard basis.

Compiled from Bureau of the Census Facts for Industry and Advance Reports.

Prices per pound of wool and other textile fibers, United States, 1943-46

Item	Annual average :					1945		1946	
	1943	1944	1945	Mar.	Apr.	Mar.	Apr.		
	Cents	Cents	Cents	Cents	Cents	Cents	Cents		
Prices received by farmers,									
grease basis, 15th of month	41.6	42.4	41.9	40.5	40.7	40.7	41.4		
Boston, market: 1/									
Territory, scoured basis-									
64s, 70s, 80s, staple combing	117.8	119.0	117.7	119.0	119.0	99.5	99.5		
56s combing	104.2	104.5	103.5	104.5	104.5	38.5	38.5		
Bright fleece, greasy-									
64s, 70s, 80s delaine	46.9	47.0	47.0	47.5	47.5	40.0	40.0		
56s combing	54.2	54.5	54.0	54.5	54.5	46.5	46.5		
Foreign wool, in bond:									
Scoured basis-									
Australian 64s, 70s good									
top-making 2/	75.9	72.1	75.2	75.5	75.5	75.5	74.7		
Cape, short combing	72.5	72.5	72.5	72.5	72.5	3/67.5	3/67.5		
Grease basis-									
Montevideo 60-64s	41.4	39.4	39.6	39.2	39.4	41.5	41.5		
Montevideo 1s (56s)	41.4	40.7	42.2	42.5	42.5	42.5	42.5		
Other textile fibers:									
Cotton, 15/16-inch									
Middling 4/	20.6	21.2	22.5	21.3	22.1	26.8	27.7		
Payon staple fiber 5/									
Viscose 1-1/2 denier	24.4	24.8	25.0	25.0	25.0	25.0	25.0		
Acetate 5 denier	43.0	41.9	38.0	38.0	38.0	38.0	38.0		

Domestic wool prices are from the Production and Marketing Administration; foreign wool prices are from the Boston Commercial Bulletin except as noted, and are before payment of duty.

1/ Domestic wool prices based on CCB selling prices, 1944 to date. 2/ Quotations from the Production and Marketing Administration. 3/ New series beginning 1946 prices are for Cape 10-12 months superior spinners style, and are not strictly comparable with earlier data. 4/ Average at 10 markets. 5/ F.C.B. producing plants, Bureau of Labor Statistics.

Wool: Mill consumption in the United States, 1944-46

Item	Total		Weekly averages			
	1944	1945	1945	1946		
			Jan. 1/	Feb. 2/	Jan. 1/	Feb. 2/
	1,000	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds	pounds
Grease basis:						
Apparel wool-						
Domestic	312,595	251,735	3,326	8,290	2,107	2,562
Foreign	690,364	761,046	13,379	14,370	15,975	17,442
Total	1,002,959	1,012,781	21,705	22,660	18,082	20,004
Carpet wool	61,156	76,087	1,237	1,094	2,808	3,504
Scoured basis						
Apparel wool-						
Domestic	150,361	120,357	3,970	3,978	1,020	1,245
Foreign	426,152	466,891	2,164	2,317	9,779	10,660
Total	576,513	587,248	12,143	12,795	10,799	11,905
Carpet wool	45,757	55,885	898	790	2,020	2,492

Compiled from reports of the Bureau of the Census.

1/ 5-week period. 2/ 4-week period.

BAE "SITUATION" REPORTS

The Cotton Situation	(Monthly)
The Dairy Situation	(Monthly)
The Demand and Price Situation	(Monthly)
The Farm Income Situation	(Monthly)
The Fats and Oils Situation	(Monthly)
The Feed Situation	(Monthly)
The Fruit Situation	(Quarterly)
The Livestock and Wool Situation	(Monthly)
The Marketing and Transportation Situation	(Monthly)
The National Food Situation	(Monthly)
The Poultry and Egg Situation	(Monthly)
The Tobacco Situation	(Quarterly)
The Vegetable Situation	(Quarterly)
The Wheat Situation	(Bi-monthly except monthly for July and August)
The World Sugar Situation	(Annually)

The above reports are available free upon request. Address requests to:

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